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October 17, 1963

## MEMORANDUM FOR THE RECORD

SUBJECT: Minutes of the Meeting of the Special Group (CI)  
2:30 p.m., Thursday, October 17, 1963

PRESENT: Mr. Johnson vice Governor Harriman, Mr. Bell, Mr. McCone, Mr. Forrestal, Mr. Wilson vice Mr. Murrow, Mr. Bundy vice Mr. Gilpatric, General Krulak vice General Taylor, Mr. Nolan vice The Attorney General

Mrs. Bracken was present for Item No. 1.

Ambassador Young and Mr. Hannah were present for Item 2.a.

Mr. Kattenburg was present for Item No. 3.

Mr. Maechling was present for the Meeting.

1. Progress Report on the Internal Defense Plan for Iran

Mrs. Bracken, Director, Office of Greek, Turkish and Iranian Affairs, Department of State, reviewed for the Group the quarterly report and commented that progress is being made in programs related to internal security. This report and later developments indicate a more favorable situation in Iran than previously reported to the Group. The recent parliamentary elections were peacefully conducted. Although land distribution has slowed down, it has not stopped. Progress is being made to resolve problems in the economic area and steps are being taken to stimulate the economy. As no clearly identifiable threat to internal security exists, it is believed that the insurgency threat in Iran is now more in the latent rather than incipient stage.

Mr. Johnson observed that during his recent trip to Iran, he was concerned over the heavy reliance placed on the Shah.

Mr. Bundy stated that although this report indicates favorable progress, we should recognize that problems still exist, as much remains to be done in programs to increase the effectiveness of both police and military forces. Mr. Bell added that although the insurgency threat could be called latent, it remains explosive.

Mr. Bell reported that he is discussing independently, with State, the advisability of sending a team to Iran to assess the land reform program. In commenting on police programs, he said that the question of supporting the "Commando Brigade" of the National Police has not been resolved as the status of this request from the Government of Iran is still not clear.

Mr. Bell questioned the accuracy of the reference made in the State memorandum on the status of the outstanding loan application for the Iranian portion of the CENTO-Turkey-Iran rail link. He stated that this is a complicated issue, including legal ramifications, and is still under review by both DOD and AID.

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The Group approved the Country Team's quarterly progress report for planning purposes as qualified by the State memorandum.

2.a. Progress Report on the Internal Defense Plan for Thailand

Ambassador Young, in commenting on the situation in Thailand, stated that he believes that we are on the right track and that the major future problem facing the U.S. is the question of a successor to Prime Minister Sarit. The Internal Security Plan has been of great assistance to the Country Team in Thailand and the Group's interest in this program has been appreciated. No major issues exist that require special attention at this time.

Mr. Johnson suggested that now is the time to promulgate a Constitution for Thailand and include in it the mechanism for an orderly succession in the Government. A Constitutional Assembly now exists to draft this document, but progress in this effort is very slow.

Ambassador Young commented that the real danger in Thailand is subversion from the outside. Mr. Johnson stated that certain high level members of the Government have not yet focused on internal security problems and still place primary emphasis on conventional arms to counter external threats.

Mr. Bundy stated that owing to a general reduction in MAP funds, a heavy cut will probably be made in the Thai program, principally in conventional arms, but counterinsurgency projects also will be affected. Mr. Johnson added that based on his conversation with Thai officials, they are aware that a cut is inevitable; however, they are concerned over its impact on Thai military capabilities.

Following a general discussion of the problems that will have to be resolved in determining priorities in allocating the reduced funds available for the Military Assistance Program, Mr. Bell stated that following the normal review process, this matter will be brought to the attention of the President. Ambassador Young commented that a heavy cut in MAP funds for Thailand would have a considerable effect on the counterinsurgency projects as most of them are based on a two-year program.

Mr. Hannah informed the Group that a message had been dispatched today to the Country Team in response to its request for expanded Thai military civic action in support of rural development. He stated that a U.S. technician from Viet-Nam will be in Thailand in October to survey the National Registration Program, to recommend improvements, and to assess the scope of possible U.S. assistance.

The Group noted the progress report.

2.b. Summary Status Report from Viet-Nam, August and September

The Group noted the status report submitted for this item.

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The Group was informed of specific measures that have been instituted to improve reporting from Viet-Nam. Additional measures to be taken are also being considered by the responsible agencies.

Mr. Wilson brought to the Group's attention recent developments that could affect USIS operations in Viet-Nam.

### 3. Follow-up Report on the Status of Public Safety Advisors for Pakistan

Mr. Bell commented that, as indicated in the AID memorandum submitted for this item, action is being taken to fill these vacancies.

### Miscellaneous

A. The question of reviewing countries on the critical list was discussed by the Group during consideration of Agenda Item 1. The Group agreed that, at a future meeting, it would again consider the criteria for placing countries on the list, and the reporting requirements placed on the Country Team.

B. The Group agreed with Mr. McCone's recommendation that General Taylor's memorandum on "U.S. Support of Foreign Paramilitary Forces" be referred to another committee for action. Mr. Forrestal and Mr. Bell stated that such a review was long overdue.

C. The Group agreed with the Chairman's suggestion that the meetings scheduled for 24 October and 31 October be cancelled due to the JCS Counterinsurgency Game that will be conducted during that period.

General Krulak stated that the Joint Staff is prepared to brief members of the Group on the Game and they should contact his office if a briefing is desired.

D. The Interagency Working Group report on Venezuelan Terrorism was not discussed.

E. The members expressed their concern that papers for the Group's meetings were being distributed too late to permit proper staffing. All agencies were requested to see what can be done to rectify this situation.

*James W. Dingeman*  
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Executive Secretary  
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